

SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1866 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 12-15-35-42 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 42. (a) The board
- 5 may meet in an executive session for purposes of reviewing DUR data
- 6 or to conduct or to discuss activity as provided for in IC 5-14-1.5-6.1.
- 7 (b) The board shall also conduct regular public meetings to gather
- 8 input from the public on the operation of the DUR program.
- 9 **(c) The board may meet monthly to implement its duties under**
- 10 **this chapter."**
- 11 Page 1, line 4, after "on" insert "**disease management**".
- 12 Page 1, line 4, delete "or" and insert "**for Medicaid recipients with**
- 13 **any of the following diseases:**
- 14 **(1) Asthma.**
- 15 **(2) Diabetes.**
- 16 **(3) Congestive heart failure.**
- 17 **(4) HIV or AIDS."**
- 18 Page 1, delete lines 5 through 18, begin a new paragraph and insert:
- 19 **"(b) The board shall:**
- 20 **(1) make the recommendations required under subsection (a);**
- 21 **and**
- 22 **(2) provide a copy of the recommendations to the health**
- 23 **finance commission (IC 2-5-23);**
- 24 **not later than September 30, 2001."**
- 25 Page 2, delete lines 1 through 13.
- 26 Page 2, line 17, after "its" insert "**advisory capacity**".
- 27 Page 2, delete lines 18 through 19.
- 28 Page 2, line 26, delete "4" and insert "**5**".
- 29 Page 2, line 26, delete "5" and insert "**6**".
- 30 Page 2, line 27, delete "JULY 1, 2001" and insert "**UPON**
- 31 **PASSAGE**".

Page 2, line 27, delete "The" and insert **"Effective July 1, 2001, the"**.

Page 2, line 34, delete "Each", begin a new paragraph, and insert:
"(b) Not later than sixty (60) days after the effective date of this act, each".

Page 2, line 36, after "." begin a new paragraph and insert:

"(c) The state's rate setting contractor shall:

(1) accept current liability insurance expense information from providers at any time before July 1, 2004; and

(2) calculate and pay a modified reimbursement rate as described in subsections (d) through (f).

(d)".

Page 2, line 39, after "liability" insert **"insurance expense information, including"**.

Page 2, line 39, after "documentation" insert ",".

Page 2, line 41, delete "The" and insert **"If the effective date of the policy is earlier than the sixteenth day of that month, the"**.

Page 2, line 42, delete "month, if the effective date of the policy is between the first" and insert **"month. If the effective date of the policy is later than the fifteenth day of that month, the rate adjustment is effective on the first day of the month following the month in which the policy is effective."**

Page 3, delete lines 1 through 3, begin a new paragraph and insert:

"(e) The cost of professional liability insurance shall be removed from the administrative component on July 1, 2001, using the following methodology:

STEP ONE: Divide the inflated liability insurance per diem expense by the allowable administrative per patient day costs.

STEP TWO: Multiply the amount calculated under STEP ONE by the administrative component of the rate.

STEP THREE: Subtract the amount calculated under STEP TWO from the administrative component of the rate.

The information needed to perform the calculation under this subsection shall be obtained from the work papers of the state's rate setting contractor for the most recent annual rate review for each facility.

(f) The administrative component and professional liability insurance component are the only two rate components that are adjusted on July 1, 2001, other than adjustments from routine annual rate reviews. The median administrative component cost that excludes the professional liability insurance shall not be applied for each nursing facility until the facility's first annual rate review on or after July 1, 2001.

(g)".

Page 3, line 5, delete "must" and insert **"shall"**.

Page 3, line 7, after "." insert **"Beginning July 1, 2004, the calculation of the administrative component of each provider's rate**

1 shall include professional liability insurance in the median
2 administrative component cost."

3 Page 3, line 8, delete "(b)" and insert "(h)".

4 Page 3, line 10, delete "July" and insert "June".

5 Page 3, line 11, after "IC 4-22-2" insert "**that are effective July 1,**
6 **2002,**".

7 Page 5, between lines 34 and 35, begin a new paragraph and insert:

8 "**(c) The rules adopted under this SECTION must include the**
9 **rules adopted under SECTION 7 of this act.**".

10 Page 5, line 35, delete "(c)" and insert "(d)".

11 Page 5, line 40, delete "2" and insert "5".

12 Page 6, line 4, after "under" insert "**SECTION 6 of**".

13 Page 6, line 27, delete "3(a)(1)" and insert "**6(a)(1)**".

14 Page 6, line 34, delete "voluntary".

15 Page 7, line 12, delete "voluntary".

16 Page 8, line 7, delete "Apply" and insert "**Submit a state plan**
17 **amendment**".

18 Page 8, line 8, after "Administration" insert "**to apply**".

19 Page 8, between lines 9 and 10, begin a new paragraph and insert:

20 "**(f) Before July 1, 2001, the office shall publish public notice in**
21 **accordance with the regulations of the federal Health Care**
22 **Financing Administration of the office's intent to implement the**
23 **programs and mechanisms developed under subsection (e).**".

24 Page 8, line 10, delete "(f)" and insert "(g)".

25 Page 8, between lines 33 and 34, begin a new paragraph and insert:

26 "**SECTION 14. [EFFECTIVE UPON PASSAGE] (a) As used in**
27 **this SECTION, "office" refers to the office of Medicaid policy and**
28 **planning established by IC 12-8-6-1.**

29 **(b) This section applies to an individual who:**

30 **(1) is a Medicaid recipient;**

31 **(2) is not enrolled in the risk-based managed care program;**
32 **and**

33 **(3) resides in:**

34 **(A) a county having a population of more than three**
35 **hundred thousand (300,000) but less than four hundred**
36 **thousand (400,000);**

37 **(B) a county having a population of more than four**
38 **hundred thousand (400,000) but less than seven hundred**
39 **thousand (700,000); or**

40 **(C) a county with a consolidated city.**

41 **(c) The office shall develop the following programs regarding**
42 **individuals described in subsection (b):**

43 **(1) A disease management program for recipients with any of**
44 **the following diseases:**

45 **(A) Asthma.**

46 **(B) Diabetes.**

47 **(C) Congestive heart failure.**

- 1 **(D) HIV or AIDS.**
2 **(2) A case management program for recipients whose per**
3 **recipient Medicaid cost is in the highest ten percent (10%) of**
4 **all individuals described in subsection (b).**
5 **(d) The office shall contract with an outside individual or entity**
6 **to assist in developing the programs required under subsection (c).**
7 **The office shall begin the contract procurement process not later**
8 **than October 1, 2001.**
9 **(e) The individual or entity with whom the office contracts**
10 **under subsection (c) shall provide the office with an evaluation and**
11 **recommendations not more than nine (9) months after the effective**
12 **date of the contract.**
13 **(f) The office shall report to the legislative council not later than**
14 **December 31, 2002, regarding the programs developed under this**
15 **SECTION."**
16 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1866 as printed March 30, 2001.)

Senator MILLER